



## **POSTAL SERVICE**

### **39 CFR Part 111**

#### **Green & Secure Alternative Move Update Method Option**

**AGENCY:** Postal Service™.

**ACTION:** Proposed rule.

**SUMMARY:** The Postal Service is proposing to amend *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®), to introduce a new alternative method to meet the Move Update standard for mailers who enter eligible letter- and flat-size pieces of First-Class Mail® and USPS Marketing Mail® (formerly Standard Mail®) that meet the requirements for Basic or Full-Service mailings.

**DATES:** Submit comments on or before **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**ADDRESSES:** Mail or deliver written comments to the manager, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. If sending comments by email, include the name and address of the commenter and send to [ProductClassification@usps.gov](mailto:ProductClassification@usps.gov), with a subject line of "Green & Secure." Faxed comments are not accepted. You may inspect and photocopy all written comments, by appointment only, at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, DC, 20260. These records are available for review on Monday through Friday, 9 am - 4 pm, by calling 202-268-2906.

**FOR FURTHER INFORMATION CONTACT:** Heather Dyer at (207) 482-7217, or Garry Rodriguez at (202) 268-7281.

## **SUPPLEMENTARY INFORMATION:**

### **Background**

Pursuant to Postal Service regulations, compliance with the Move Update standard is a basic eligibility requirement for mailers of USPS Marketing Mail and First-Class Mail letters and flats using commercial automation and presort rates. The Move Update standard requires mailers to update addresses for which a change of address (COA) order exists within a specified period of time. By requiring mailers to comply with the Move Update standard, the Postal Service aims to improve address quality and ensure mailpieces reach their intended recipients, which benefits both the Postal Service and its customers. The Move Update standard also is intended to reduce mail processing and delivery costs for the Postal Service.

Today, mailers can meet the Move Update standard using the USPS-approved methods of Address Change Service (ACS™), NCOALink®, or Ancillary Service Endorsements. In addition, mailers of First-Class Mail may apply to use one of two alternative methods, 99 Percent Accuracy or Legal Restraint, which are available under the following limited circumstances:

- 99 Percent Accuracy Method: This method is available to mailers who enter First-Class Mail and demonstrate that their internal list management maintains address quality at 99 percent or greater accuracy for COAs.
- Legal Restraint Method: This method is available to mailers who enter First-Class Mail pieces and demonstrate that a legal restriction prevents them from updating their customer's address without direct contact from the customer.

The overarching goal of the Move Update standard is to reduce the incidence of undeliverable-as-addressed (UAA) mail, which is costly for the Postal Service because UAA pieces must be forwarded, returned, or discarded, and costly for mailers because these pieces fail to reach their intended recipients. The Postal Service incurs the most costs returning pieces, while discarding UAA pieces imposes the lowest cost. The 2016 per-piece cost for each disposition type (FCM only) is shown below:

Disposition Type	Per-piece Cost – Letters	Per-Piece Cost – All Shapes
Return	\$0.394	\$0.427
Forward	\$0.193	\$0.198
Discard	\$0.110	\$0.111

First-Class Mail UAA pieces represent most of the Postal Service's costly return-to-sender volume; a First-Class Mail mailpiece must be returned-to-sender if it is associated with a COA record that is more than 12 months old, or if it is otherwise identified as UAA as specified in DMM 507.1.5.1. In 2017, the Postal Service discarded only 3 percent of First-Class Mail UAA pieces; in comparison, 98.5 percent of USPS Marketing Mail UAA pieces were discarded. The reason for this discrepancy is that UAA USPS Marketing Mail pieces are destroyed unless the mailers pays for forwarding or return after requesting those services using an ancillary service endorsement.

### **Future Process**

While the focus of the Postal Service's Move Update program has been to reduce the amount of UAA mail, the Postal Service recognizes that not all UAA mail can be eliminated. The Postal Service wants to reduce the cost to the Postal

Service of the remaining UAA mail. The Postal Service therefore is proposing to introduce a new alternative method to meet the Move Update standard, Green & Secure, which would both reduce the volume of return-to-sender mail and reduce mailers' risk of assessment through the Address Quality Census Measurement and Assessment Process (AQCMAP), a new method of verifying that mailers have adopted a USPS-approved Move Update method which starts February 1, 2018. An exemption from AQCMAP fees would provide a needed incentive for more mailers to mark their mail for destruction rather than return to the mailer.

Green & Secure would be a USPS-approved Move Update alternative option for First-Class Mail and USPS Marketing Mail letter and flat-size pieces that meet the requirements for Basic and Full Service mailings. Under Green & Secure, mailers would need to (1) use either an ACS Change Service Requested Service Type ID (STID) or a Secure Destruction STID, the latter of which is limited to First-Class Mail only, and (2) would need to seek pre-approval from the Postal Service in certain circumstances.

The ACS Change Service Requested STID would be available for use on First-Class Mail and USPS Marketing Mail pieces. Full-Service mailers would not need pre-approval to use Green & Secure if using an ACS Change Service Requested STID on eligible mailpieces. Mailers that do not participate in Full-Service would need to apply for ACS notice fulfillment services with the Postal Service ACS Department at the National Customer Support Center in Memphis, Tennessee, (877-640-0724 (Option 1) or [acs@usps.gov](mailto:acs@usps.gov)) in order to participate in Green & Secure using the ACS Change Service Requested STID. First-Class Mail and USPS Marketing Mail pieces that have an ACS Change Service

Requested STID in the Intelligent Mail barcode (IMb) and are identified as UAA would be discarded and recycled rather than returned-to-sender.

The Secure Destruction STID would continue to be available for use on First-Class Mail pieces only. First-Class Mail mailers already participating in Secure Destruction service and utilizing an approved Secure Destruction STID would continue to have their UAA mailpieces destroyed and recycled in a secure manner. Secure Destruction participation requires mailers to register their Mailer ID with the Postal Service's ACS Department prior to using the Secure Destruction STID in their IMbs. This pre-approval requirement applies to Full-Service mailers. Under Secure Destruction, mailpieces are shredded by Postal Service employees at Postal Service facilities, which renders the pieces unreadable prior to recycling. Secure Destruction shreds mailpieces to a size that is more stringent than the standards set forth by the National Association for Information Destruction and common industry practice in the United States for documents with sensitive and/or confidential information.

For each Green & Secure STID type, the Postal Service would provide mailers with an electronic ACS notification indicating that the piece is UAA. Green & Secure would continue the process of providing First-Class Mail mailers that use the Secure Destruction STID with an additional electronic notification to indicate when and where the mailpiece was processed and securely shredded.

Green & Secure would continue to provide mailers using either STID with two disposition options for their mailpieces:

- Option 1: Postal Service discards or securely destroys all UAA mailpieces.

- Option 2: Postal Service provides forwarding if the mailpiece corresponds with a valid COA record that is less than 1-year old. All other UAA mail is discarded or securely destroyed, subject to the corresponding conditions described in DMM Section 507.1.0.

While there is no additional charge for forwarding of First-Class Mail, USPS Marketing Mail that is forwarded under Option 2 will be charged the appropriate per piece forwarding fee for the mail shape.

### **Address Quality Census Measurement and Assessment Process**

In August 2017, the Postal Service gained regulatory approval from the Postal Regulatory Commission (PRC) for the Address Quality Census Measurement and Assessment Process in PRC Docket No. R2017-7 (available on-line at [prc.gov](http://prc.gov)). The Postal Service followed-up the PRC's approval with a final rule adopting conforming changes to the DMM that was published in the *Federal Register* on October 24, 2017 (82 FR 49123-49128). The Postal Service plans to begin verifying and assessing mailers under this new verification method in March 2018 for COA errors incurred in February 2018. As proposed, mailpieces that use the Green & Secure alternative Move Update method would not be subject to verification and possible assessment under the Address Quality Census Measurement and Assessment Process. Move Update validations, however, would still be performed to provide visibility into mail quality, and the results of the validations would be reported in the Mailer Scorecard.

### **Mailer Scorecard**

The Mailer Scorecard is currently available to mailers, providing data that allow mailers to gauge address quality on their mailpieces. Under Green &

Secure, the Mailer Scorecard would continue to be a valuable tool in assisting mailers to improve their address quality. The total number of mailpieces using the Green & Secure alternative method would be reported under the eDoc Submitter CRID through a dedicated field on the Mailer Scorecard. In addition, if a mailpiece is associated with a COA that is between 95 and 18 months old, and the address has not been updated, a COA warning for the associated IMb would be logged and allocated under the CRID of the eDoc submitter in the Mailer Scorecard.

### **Criteria**

Mailers would be able to use the Green & Secure Alternative Move Update Method when they:

- Use a unique Basic or Full Service IMb on mailings of letter- and flat-size pieces for First-Class Mail and USPS Marketing Mail;
- Use eDoc to submit mailing information and include piece level detail (by piece or piece range);
- Contact the Postal Service ACS Department, for non-Full-Service mailers who wish to use a Basic ACS Change Service Requested STID, and all mailers seeking to use the Secure Destruction STID.

### **Specification**

The Postal Service is proposing the specifications for meeting the Move Update requirements through an alternative method. Once the Postal Service implements the proposed process, mailers may meet the Move Update standard using Green & Secure as follows:

- Mailers would utilize an ACS Change Service Requested STID on First-Class Mail or USPS Marketing Mail, or a Secure Destruction STID on First-Class Mail.
- Mailpieces bearing these STID types would be verified separately from the Address Quality Census Measurement and Assessment Process and would not be subject to Move Update assessment charges.
- Mailpieces bearing these STIDs that are UAA would be discarded or securely destroyed by the Postal Service; electronic notification and information via the Mailer Scorecard would be provided.

### **Mailpiece Results**

Once qualifying mailings are processed on mail processing equipment, the data from mailpieces would be reconciled with eDoc. These results would be available on the Business Customer Gateway, and displayed on the Electronic Verification tab of the Mailer Scorecard, which would be easily accessible at <https://gateway.usps.com/eAdmin/view/signin>. Mailers would be able to review the Mailer Scorecard and corresponding detailed reports to identify any anomalies or issues.

To resolve Mailer Scorecard irregularities, mailers would continue to be able to contact the *PostalOne!* Help Desk at 800-522-9085 or their local Business Mail Entry Unit (BMEU).

### **List of Subjects in 39 CFR Part 111**

Administrative practice and procedure, Postal Service.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed

rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1. Accordingly, 39 CFR part 111 is proposed to be amended as follows:

## **PART 111 — [AMENDED]**

1. The authority citation for 39 CFR part 111 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), as follows:

### ***Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM)**

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#### **602 Addressing**

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#### **5.0 Move Update Standards**

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*[Revise the heading and text of 5.2 to read as follows:]*

#### **5.2 Authorized Methods**

Mailer Move Update Process Certification and USPS-approved alternative methods are authorized for meeting the Move Update standard. The National

Customer Support Center administers and approves both Mailer Move Update Process Certification and alternative methods.

### **5.2.1 Mailer Move Update Process Certification**

Mailer Move Update Process Certification methods are as follows:

- a. Address Change Service (ACS).
- b. National Change of Address Linkage System (NCOALink). This includes both pre-mail NCOALink processing systems and the physical mailpiece processing equipment system: National Change of Address Linkage System Mail Processing Equipment (NCOALink MPE). See the NCOALink page (NCOALink MPE Solutions) on [www.postalpro.usps.com](http://www.postalpro.usps.com) for more information on the MPE application.
- c. Applicable ancillary service endorsements under 507.1.5.1 or 507.1.5.3, except "Forwarding Service Requested."

### **5.2.2 Alternate Methods**

Alternate Move Update methods are as follows:

- a. Green & Secure: Mailpieces using the Green & Secure alternative method will be excluded from the Address Quality Census Measurement and Assessment Process under 5.3. Details are available in Publication 685, *Publication for Streamlined Mail Acceptance for Letters and Flats*, available at [www.postalpro.usps.com](http://www.postalpro.usps.com).
- b. For First-Class Mail only: Mailer Move Update Process Certification and USPS-approved alternative methods for mailers with legitimate restrictions on incorporating USPS-supplied change-of-address information into their mailing lists. Refer to the *Guide to Move Update* available at

*www.postalpro.usps.com* or contact the National Customer Support Center  
(see 608.8.1 for address) for additional information.

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We will publish an appropriate amendment to *39 CFR part 111* to reflect these changes, if this proposal is adopted.

**Stanley F. Mires,**

*Attorney, Federal Compliance.*

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